SEP 23 4 03 PH '59

September 22, 1959

Dear Dan:

Re: DPD-6190-59

We have had preliminary discussions with the Dept. of Agriculture and the indications are that, if and when they can obtain funds, they will want us to do the work of duplicating their old films.

We concur in your request that your work be given priority up to the limit of the facility. You probably are aware of the fact that we do not have sufficient personnel on board to operate all machines simultaneously, but we assume that you refer to the same service we have furnished in the past.

We also agree that maintenance due to the additional machine hours should be chargeable to their account.

We cannot agree without qualification, however, on your restriction that no additional personnel be required unless you are implying that such additional personnel would not be charged to you. We would agree with this latter, narrower, definition, of course, because our chief interest is in saving you money. Undoubtedly we would have to handle their project with substantially the same cost structure as we do yours (i.e., time and material) so that what we collect from them we would not collect from you. Consequently our net gain would be zero.

Nevertheless, once we contract to do this work we will be obligated to do it to the best of our ability. Many hypothetical situations could be cited which might require the temporary addition of manpower. As an instance, let us suppose that Project G materializes and has the operating success that was originally forecast for CHAL. Or that another prolonged "Middle East" crisis arises. Or in a specific and not hypothetical sense, let's take the problem of handling. The Dept. of Agriculture has continual calls to refer to this film so they do not want to give us much of it at any one time.

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Furthermore, because of the possible hazard we would want to store it away from this building and make daily trips to and from storage. It is probable that we will have to truck loads to and from Washington on a weekly basis. This might well take practically the full time of a man. Other such special problems might arise which would call for manpower or skills not presently available to us.

We hope, therefore, that you will permit us freedom to operate with the understanding that our primary objectives are minimum cost to you while still maintaining maximum priority for your requirements.

ELG/MDG

cc: JLB

M ' E. L. G.